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LUKAS, McGOWAN, NACE & GUTIERREZ
CHARTERED
1111 NINETEENTH STREET, N.W.
SUITE 1200
WASHINGTON, D.C. 20036
(202) 857-3500

RUSSELL D. LUKAS
GERALD S. McGOWAN
DAVID L. NACE
THOMAS GUTIERREZ
ELIZABETH R. SACHS
GEORGE L. LYON, JR.
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+ NOT ADMITTED IN D.C

CONSULTING ENGINEERS
THOMAS G. ADCOCK, P.E.
MEHRAN NAZARI
ALI KUZEHKANANI
SHAHRAM HOJATI, D.Sc.
LeROY A. ADAM
LEILA REZANAVAZ
FARID SEYEDVOSOGHI

OF COUNSEL
JOHN J. McAVOY

TELECOPIER
(202) 842-4485

WRITER'S DIRECT DIAL
(202) 828-9471

September 29, 1995

HAND DELIVERED

Rosalind K. Allen, Esq.
Chief, Commercial Wireless Division
Wireless Telecommunications Bureau
Federal Communications Commission
2025 M Street, N.W. Room 5202
Washington, D.C. 20554

Re: Ex Parte Comments
PR Docket No. 93-144
Centennial Telecommunications, Inc.

Dear Ms. Allen:

Centennial Telecommunications, Inc. ("CTI"), pursuant to Section 1.1206(a)(1) of the Federal Communications Commission ("FCC" or "Commission") Rules and Regulations and by counsel, hereby submits this written ex parte presentation[1] in the above-entitled proceeding.[2] CTI requests that the Bureau consider the following comments in response to the Wireless Telecommunication Bureau's ("Bureau") presentation of September 18, 1995 in which it summarized its recommended licensing scheme for the 800 MHz Specialized Mobile Radio ("SMR") spectrum.

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[1] As required by the Commission's rules, two copies of this presentation are being filed concurrently with the Commission's Secretary.

[2] Further Notice of Proposed Rule Making, PR Docket No. 93-144, 9 FCC Rcd ___, FCC 94-271, 59 FR 60112 (November 22, 1994).

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The Bureau stated that it recommended to the Commission, among other things, that the Commission re-allocate the 10 MHz of contiguous SMR spectrum (816-8221/861-866 MHz band) for wide-area, geographic licensing comparable to cellular and broadband PCS licensing. It also suggested that a mandatory relocation plan, similar to the plan adopted in the emerging technology proceeding ("ET proceeding"),[3] be adopted to permit the wide-area licensee the ability to "clear" its spectrum of incumbent licensees. As mandatory relocation was not proposed to be adopted in the Notice, the Bureau did not receive comments addressing the issues relating to such relocation, such as definitions of "system" and "comparable." Consequently, the Bureau is seeking additional comments on these issues to assist it in crafting the appropriate standards for such mandatory migration.

On August 18, 1995, CTI submitted to the Bureau comments relating to the "system comparability" issues, should mandatory relocation be adopted. CTI takes this opportunity to reiterate its comments concerning the concept of "system comparability" as that term would be required to be defined based on the Bureau's proposed channel migration plan and to support a definition of "service area" of an incumbent licensee's system to be the existing 22 dBu interference contour.

I. INTRODUCTION

CTI is the founding and general partner of Centennial Telecommunications Midwest, L.P. which was formed to bring advanced digital SMR service to secondary markets, primarily in an eight-state area in the Midwest. The Company's senior managers have extensive operating and financial experience in the cellular, SMR and ESMR industries. The Company also benefits from a strong group of participating licensees who also have in-depth knowledge and hands-on operational familiarity with these, and other, wireless businesses. CTI and each of its participating licensees obtained extended implementation authority from the FCC to develop and implement a wide-area digital SMR network in the States of Iowa, Illinois, Indiana, Michigan, Missouri, Minnesota, Ohio and Wisconsin. The officers, directors, and employees of CTI and its partners bring extensive wireless telecommunications experience to this project, including SMR and cellular system design, implementation and operating expertise.

II. DEFINITION OF "FULLY COMPARABLE ALTERNATIVE FREQUENCIES"

CTI understands that migration plan proposed by the Bureau would provide for a period for voluntary negotiations prior to mandatory relocation to "fully comparable alternative frequencies" if available, with all relocation costs to be paid by the wide-area licensee. If

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[3] See 47 C.F.R. § 94.59.

frequencies satisfying this criteria were not available, relocation could not be required and the incumbent licensee would retain its primary status on its frequencies.

CTI believes that if such an approach is adopted, it is imperative that the Commission describe with specificity what elements it would consider in determining whether the replacement spectrum provided "fully comparable alternative frequencies" and how it would define the facilities that constituted a "system" to be relocated. From CTI's perspective, and, it believes, from the perspective of numerous other SMR licensees operating in this band, these definitions are critical. For example, the traditional 800 MHz trunked SMR system was assigned frequencies separated by one megahertz. This separation between frequencies facilitated channel combining and thus reduced system implementation costs and complications while enhancing system performance. Licensees desiring to replicate their current operations on the replacement spectrum presumably would consider substitute channels with a lesser separation as not comparable unless, perhaps, comparability could be achieved through other technical means.

In the ET proceeding, the Commission cited, inter alia, system reliability, capability, speed, bandwidth, throughput, overall efficiency, bands authorized for such services, and interference protection as factors it would consider in determining comparability.[4] Nonetheless, the agency anticipated that its goal of facilitating rapid implementation of new services in the emerging technology bands would be accomplished most efficiently by providing flexibility in the relocation process. Therefore, the FCC declined to adopt a rigid definition of comparability, but instead opted to allow the parties in each case to negotiate a mutually agreed upon definition of comparability.[5]

As the FCC has learned already from the negotiations between PCS auction winners and incumbent microwave licensees, this expectation has not always been met. A substantial number of disagreements have arisen regarding comparability despite enumeration of the factors cited above. The Bureau must also note that in many cases in which such disagreements have arisen the PCS operator and the incumbent licensee are not competing in the marketplace for subscribers, i.e. the incumbent licensee uses its spectrum for internal business purposes. The threat to commercial viability of a subscriber-based business provides an even more violative situation and may lead to more disputes as to whether "comparability" has been achieved.

The FCC must devise any SMR migration rules to avoid, or at least minimize, the number of such disputes. While CTI agrees that the broad variety of SMR system designs and

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[4] Third Report and Order and Memorandum Opinion and Order, 8 FCC Rcd. 6589, 6603 at ¶ 36.

[5] Id.

operational capabilities dictate against adoption of a rigid formula for assessing comparability, there are certain critical factors common to all such systems. Thus, since the issue of channel spacing is clearly relevant to all 800 MHz incumbents, whether their individual need is for sufficient separation or contiguous channel assignments, the FCC should specifically include this criteria in its definition of "fully comparable alternative frequencies". Because the value of an SMR operation is highly dependent on the coverage capability of its facilities, comparability in this band also should be defined as equivalent or superior coverage of the existing service contour, or composite contours of participating stations if multiple facilities are involved.

It is equally important to CTI, and it assumes to all incumbent licensees, including those anticipated to prevail in an auction, that mandatory relocation **not** permit "cherry-picking" among facilities or even frequencies in a system. Incumbent licensees, irrespective of their current channel positions, would be ill-served by a regulatory policy that would permit the wide-area licensee to retune facilities within an integrated system on a selective basis. Selective retuning would enable the wide-area licensee to use mandatory migration as an inexpensive means of impeding a competitor's business activities, rather than as a vehicle to achieve improved spectral efficiencies in its own operation. Particular stations or frequencies might be targeted for retuning precisely because they are critical to the competitor's overall system design. Changing individual frequencies or facilities within an integrated system could disrupt totally the implementation or operation of a network's frequency plan. Authority to do so repeatedly over time could destroy any existing competitors and would discourage the development of alternative offerings in this band.

Therefore, CTI encourages that Bureau to define a "system" as including all licenses issued to a single entity or to multiple entities participating within an integrated network. "Participating entities" should be defined as any party which enters into a joint marketing agreement or management agreement with the network operator whereby the spectrum of such party would be attributable to such operator under Section 20.6 of the FCC's rules or any similar joint venture arrangements between a party and the network operator. The definition of system must encompass the concept of integrated operations and networking even if licenses for individual facilities are in various participating entities' names.

III. PROTECTION OF INCUMBENT SYSTEMS AND RIGHTS OF INCUMBENT LICENSEES

Should the mandatory relocation of an incumbent licensee not be feasible, the Bureau recommended that the incumbent licensee be prohibited from expanding its system's service area without the wide-area licensee's concurrence. The Bureau proposed to permit the incumbent licensee flexibility to modify its system within the service area. The Bureau, however, did not delineate the protection that the wide-area licensee would be required to afford to the incumbent

licensee. CTI encourages the Bureau to consider defining the service area of the incumbent licensee which the wide-area licensee must protect and in which the incumbent licensee may make modifications to its system to be a 22 dBu service contour.

The 800 MHz band, as consistently recognized by the Bureau, is highly congested with little "white space" remaining between existing systems. The current co-channel separation standard is based on a set mileage criteria of 113 km (70 miles). The Commission's rules also provide for co-channel stations to be located less than 70 miles apart when the "short-space" table[6] is met, which is based on a 40/22 dBu contour analysis. Typically, however, the actual coverage area of an SMR system is beyond the hypothetical 40 dBu service contour. Service providers, therefore, have customers which rely on interference-free communications within the operator's 22 dBu interference contour. CTI believes that the Commission must require the wide-area licensee to protect the incumbent licensee's operation to the boundary of the 22 dBu contour of the existing, operating system, i.e., the wide-area licensee's 22 dBu interference contour could not overlap the incumbent's 22 dBu contour.

Failure to protect the incumbent licensee's service area (when relocation is not feasible), in the manner set forth above, could result in a loss of competition within the current market place as the incumbent licensee's customers could be denied the reliable service for which they contracted. The lack of competition could subsequently result in higher costs to the consumer and a lack of wireless telecommunications options from which to select. Such results would not service the public interest and would be contrary to the Commission's objective to provide a competitive marketplace to benefit the consumer.

IV. CONCLUSION

CTI urges the Commission to proceed expeditiously to finalize the above-entitled proceeding, and to adopt rules consistent with the view expressed herein.

Respectfully submitted,

Centennial Telecommunications, Inc.

By: _____
Elizabeth R. Sachs
Terry J. Romine

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[6] 47 C.F.R. § 90.621(b)(4)Table.